

A photograph of a student with long brown hair, wearing a blue denim shirt and dark blue shoes, sitting at a light-colored desk. The student is holding a blue pen over an open book. The book has several pink sticky notes attached to it. The text 'education pays' is overlaid on the image, with 'education' in black and 'pays' in green.

education pays

The Decision to Continue Your Schooling

Upon completion of a degree, whether it's from high school or college, individuals are faced with a major decision: whether to continue their education or enter the workforce. If the pursuit of a higher degree is chosen, it must be understood that there are both direct and indirect costs associated with this choice. The direct costs will include tuition, textbooks, and the like. The indirect costs are the costs associated with what was given up by choosing one thing over the other. If you choose to remain in school, the indirect costs of that degree will include the wages that could have been earned had you chosen instead to start a job. The message here is that all costs, both direct and indirect, should be considered when choosing between a job and school.

“A higher degree not only gives you higher earning potential but more job security which, in turn, can lead to higher lifetime earnings.”

Why More School? Earning Potential

If the cost of an education is so high, why would one choose to pursue a degree? A study by the U.S. Census Bureau showed that higher education is associated with higher earnings (see graph). The data is reported in averages; specific income levels will vary depending on the field of study, the industry and occupation the career falls under, and the geographic region of the country. However, according to the Census study, it is safe to say that the more education you have, the more money you're likely to earn.

In addition to higher pay, the study also showed that the higher the educational attainment, the lower the unemployment rate. In other words, a higher degree not only gives you higher earning potential, but more job security which, in turn, can lead to higher lifetime earnings.

Unemployment Rate Level of Education Median Weekly Earnings

2.1%	Doctorate	\$1,349
1.7%	Professional	\$1,307
2.9%	Master's	\$1,064
3.3%	Bachelor's	\$900
4.0 %	Associate	\$672
5.2%	Some College	\$622
5.5%	High School	\$554
8.8%	Some High School	\$396

Does education really pay off? In general, yes. The exact result will vary depending on such things as job market conditions (i.e. labor demand and supply), tuition levels of the schools considered, and family situations. However, it does seem to be true that the more you learn, the more you earn. 📈